

Unaudited Financial Statements
for the Year Ended 31 March 2023
for
Allerton Steel Limited

**Contents of the Financial Statements
for the Year Ended 31 March 2023**

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	4

Allerton Steel Limited
Company Information
for the Year Ended 31 March 2023

DIRECTORS:

J Gatenby
G F J Penn
A R Gatenby
M J Gatenby

SECRETARY:

G F J Penn

REGISTERED OFFICE:

Allerton House
Thurston Road
Northallerton
North Yorkshire
DL6 2NA

REGISTERED NUMBER:

06856483 (England and Wales)

ACCOUNTANTS:

Clive Owen LLP
Chartered Accountants
140 Coniscliffe Road
DARLINGTON
Co Durham
DL3 7RT

Balance Sheet
31 March 2023

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Intangible assets	4		-		-
Tangible assets	5		<u>1,298,055</u>		<u>1,256,665</u>
			1,298,055		1,256,665
CURRENT ASSETS					
Stocks	6	306,762		301,151	
Debtors	7	3,260,557		2,244,089	
Cash at bank and in hand		<u>140,832</u>		<u>1,322,501</u>	
		3,708,151		3,867,741	
CREDITORS					
Amounts falling due within one year	8	<u>2,222,065</u>		<u>2,254,835</u>	
NET CURRENT ASSETS			<u>1,486,086</u>		<u>1,612,906</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,784,141		2,869,571
CREDITORS					
Amounts falling due after more than one year	9		<u>553,124</u>		<u>798,905</u>
NET ASSETS			<u>2,231,017</u>		<u>2,070,666</u>
CAPITAL AND RESERVES					
Called up share capital	12	400,000		400,000	
Retained earnings		<u>1,831,017</u>		<u>1,670,666</u>	
SHAREHOLDERS' FUNDS			<u>2,231,017</u>		<u>2,070,666</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Balance Sheet - continued
31 March 2023

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 14 September 2023 and were signed on its behalf by:

J Gatnby - Director

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

1. STATUTORY INFORMATION

Allerton Steel Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The principal place of business is Allerton House, Thurston Road, Northallerton, DL6 2NA.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There were no material departures from that standard.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group or those concluded under normal market conditions.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue recognition

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of goods have passed to the buyer (usually on delivery of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from bridge contracts is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 3 years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 33% on cost and 10% on cost
Plant and machinery	- 50% on cost, 33% on cost, 25% on cost and 12.5% on cost
Motor vehicles	- 33% on cost and 25% on cost
Fixtures, fittings and equipment	- 33% on cost and 25% on cost

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

2. ACCOUNTING POLICIES - continued

Stocks and work in progress

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials, and where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Work in progress is valued at the lower of cost and net realisable value, based on time and costs accrued for work performed but not yet invoiced.

Financial instruments

Basic financial instruments are recognised at amortised cost with changes recognised in profit or loss.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 91 (2022 - 89) .

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 April 2022	
and 31 March 2023	<u>6,254</u>
AMORTISATION	
At 1 April 2022	
and 31 March 2023	<u>6,254</u>
NET BOOK VALUE	
At 31 March 2023	<u>-</u>
At 31 March 2022	<u>-</u>

5. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Motor vehicles £	Fixtures, fittings and equipment £	Totals £
COST					
At 1 April 2022	168,570	2,350,675	108,103	76,929	2,704,277
Additions	-	371,216	13,500	12,796	397,512
Disposals	-	(92,013)	-	(2,678)	(94,691)
At 31 March 2023	<u>168,570</u>	<u>2,629,878</u>	<u>121,603</u>	<u>87,047</u>	<u>3,007,098</u>
DEPRECIATION					
At 1 April 2022	140,194	1,164,014	86,354	57,050	1,447,612
Charge for year	6,721	314,458	7,250	16,193	344,622
Eliminated on disposal	-	(80,513)	-	(2,678)	(83,191)
At 31 March 2023	<u>146,915</u>	<u>1,397,959</u>	<u>93,604</u>	<u>70,565</u>	<u>1,709,043</u>
NET BOOK VALUE					
At 31 March 2023	<u>21,655</u>	<u>1,231,919</u>	<u>27,999</u>	<u>16,482</u>	<u>1,298,055</u>
At 31 March 2022	<u>28,376</u>	<u>1,186,661</u>	<u>21,749</u>	<u>19,879</u>	<u>1,256,665</u>

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

5. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
At 1 April 2022 and 31 March 2023	<u>690,000</u>
DEPRECIATION	
At 1 April 2022	86,250
Charge for year	<u>86,250</u>
At 31 March 2023	<u>172,500</u>
NET BOOK VALUE	
At 31 March 2023	<u>517,500</u>
At 31 March 2022	<u>603,750</u>

6. STOCKS

	2023 £	2022 £
Stocks	30,000	38,317
Work-in-progress	<u>276,762</u>	<u>262,834</u>
	<u>306,762</u>	<u>301,151</u>

7. DEBTORS

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	1,680,528	1,729,687
Amounts owed by related party	70,000	410,753
Prepayments and accrued income	<u>117,629</u>	<u>103,649</u>
	<u>1,868,157</u>	<u>2,244,089</u>
Amounts falling due after more than one year:		
Amounts owed by related party	<u>1,392,400</u>	<u>-</u>
Aggregate amounts	<u>3,260,557</u>	<u>2,244,089</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

8. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Other loans	121,709	114,679
Hire purchase contracts (see note 10)	111,671	99,270
Trade creditors	762,986	700,178
Taxation and social security	203,769	310,731
Other creditors	16,105	7,159
Accruals and deferred income	<u>1,005,825</u>	<u>1,022,818</u>
	<u>2,222,065</u>	<u>2,254,835</u>

9. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2023	2022
	£	£
Other loans - 1-2 years	129,259	121,709
Other loans - 2-5 years	125,477	254,736
Hire purchase contracts (see note 10)	<u>298,388</u>	<u>422,460</u>
	<u>553,124</u>	<u>798,905</u>

10. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2023	2022
	£	£
Net obligations repayable:		
Within one year	111,671	99,270
Between one and five years	<u>298,388</u>	<u>422,460</u>
	<u>410,059</u>	<u>521,730</u>

	Non-cancellable operating leases	
	2023	2022
	£	£
Within one year	7,298	6,154
Between one and five years	<u>6,731</u>	<u>4,014</u>
	<u>14,029</u>	<u>10,168</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

11. SECURED DEBTS

The following secured debts are included within creditors:

	2023	2022
	£	£
Other loans	376,445	491,124
Hire purchase contracts	410,059	521,730
	<u>786,504</u>	<u>1,012,854</u>

The company had a £250,000 agreed overdraft facility granted by Barclays Bank Plc secured primarily under a cross guarantee and debenture by Allerton Steel (Property) Limited.

All monies due or to become due to Barclays Bank Plc were secured by a guarantee and debenture dated 16 July 2009, incorporating a fixed and floating charge over all current and future property and assets of the company.

Both have now been repaid.

FW Capital have a debenture and second fixed and floating charge over all current and future property and assets of the company.

J Gatenby has provided a personal guarantee of £100,000 which will be released upon the purchase of the new land and a charge then put in place.

Hire purchase is secured against the assets to which they relate.

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023	2022
			£	£
400,000	Ordinary	£1	<u>400,000</u>	<u>400,000</u>

13. CONTINGENT LIABILITIES

The company is party to a banking arrangement under which it had provided an unlimited cross guarantee in respect of the bank borrowings of Allerton Steel (Property) Limited.

14. ULTIMATE PARENT COMPANY

The ultimate parent company is JTC Trustees Limited, a company registered in Jersey. The registered office of the company is Elizabeth House, 9 Castle Street, St Helier, Jersey, JE2 3RT.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.